

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 150 Section 150.1310 Use of Signs to Prove Collection of Tax as a Separate Item</b>
--

**TITLE 86: REVENUE**

**PART 150  
USE TAX**

**Section 150.1310 Use of Signs to Prove Collection of Tax as a Separate Item**

- a) If the retailer who is entitled to use the posted sign procedure wishes to comply with the requirement in question without raising his prices, he may do this by publicly displaying a sign stating that all tangible personal property for which a given charge is made is being sold for a specified amount, with the Use Tax and home rule or other local Retailers' Occupation Tax being a specified amount based on the applicable tax collection schedule that is set out in Subpart D of this Part, and with the total equaling the entire charge which the seller makes for such tangible personal property.

- b) Another acceptable form of sign (assuming a 6.25% Use Tax and 1% local Retailers' Occupation Tax rate to be applicable) may read:

Charges from 13 cents to 22 cents, inclusive, represent 1 cent Use Tax and local Retailers' Occupation Tax, and the balance is the price of the merchandise being sold; charges from 23 cents to 36 cents, inclusive, represent 2 cents Use Tax and local Retailers' Occupation Tax, and the balance is the price of the merchandise being sold; charges from 37 cents to 51 cents, inclusive, represent 3 cents Use Tax and local Retailers' Occupation Tax, and the balance is the price of the merchandise being sold; charges from 52 cents to 66 cents, inclusive, represent 4 cents Use Tax and local Retailers' Occupation Tax, and the balance is the price of the merchandise being sold; charges from 67 cents to 81 cents, inclusive, represent 5 cents Use Tax and local Retailers' Occupation Tax, and the balance is the price of the merchandise being sold; charges from 82 cents to 96 cents, inclusive, represent 6 cents Use Tax and local Retailers' Occupation Tax, and the balance is the price of the merchandise being sold; charges from 97 cents to \$1.10, inclusive, represent 7 cents Use Tax and local Retailers' Occupation Tax, and the balance is the price of the merchandise being sold; each additional charge of 13 or 14 cents, depending upon rounding, or any part thereof shall represent 1 cent Use Tax and local Retailers' Occupation Tax, and the balance shall represent the price of the merchandise being sold.

- c) In the case of the first 2 types of signs referred to hereinabove, appropriate adjustments would have to be made if the rate of the local Retailers' Occupation Tax is not 1%.
- d) The requirements in question will be met if the sign (when the sign procedure is authorized under the terms of this Section) states that the selling price of the tangible personal property includes the Use Tax and home rule or other local Retailers'

Occupation Tax or some equivalent expression. The sign need not mention the local Retailers' Occupation Tax if the retailer is located in an area in which no local Retailers' Occupation Tax is in effect.

- e) If a sign is relied on to lay the basis for saying that the Use Tax is being stated separately to the purchaser from the selling price of the property, the sign should be dated to indicate for what period it was in effect and should be retained by the seller among his books and records in the event of a subsequent audit by the Department. Except in the case of fraud or the willful failure to file returns, the maximum period for keeping records for Use Tax purposes is 3 1/2 years.

(Source: Amended at 25 Ill. Reg. 5059, effective March 23, 2001)